

Congressional Closeup by William Jones

Baker China trip may gain support for MFN

The highly criticized trip of Secretary of State James Baker III to China may have neutralized enough congressional opponents of President Bush's China policy to sustain a veto of Senate measures restricting China's Most Favored Nation (MFN) status. The trip netted few results in the area of human rights, and got only vague promises from the Chinese Foreign Ministry that Beijing would observe the "guidelines and parameters" of the U.S.-sponsored Missile Technology Control Regime limiting ballistic missile sales to the Third World.

Shortly after his return, Baker held separate meetings with Senate Republicans, Senate Democrats, and House Republicans. He is also scheduled to meet with House Democrats.

Although opponents of the administration's China policy were little impressed with Baker's trip, seven Democrats, headed by Sen. Max Baucus (D-Mont.), who backed the administration last July in extending MFN trade status to China, seem ready to continue to back the Bush policy. Their support would virtually assure that any Senate attempt to force the President to impose sanctions on the Chinese for their continued suppression of the pro-democracy movement would be doomed to failure.

Senate approves SDI deployment, cuts defense

The Senate approved 79-15 on Nov. 22 a \$291 billion defense spending bill which had passed the House on Nov. 18. The bill blocks administration plans to build more B-2 bombers, but approves the deployment of a limited Strategic Defense Initiative (SDI) system.

The bill allocates \$4.15 billion for

the SDI, including funds for an initial ground-based deployment of 100 interceptors capable of shooting down incoming missiles. Although far from providing the nationwide population defense envisioned by President Reagan in his March 1983 speech announcing the program, the bill gives the whittled-down SDI "research" program a definite deployment timetable. The bill also calls for negotiating with the Soviets to amend the 1972 ABM Treaty in order to permit further deployment of such systems.

The Senate was prepared to agree to the President's request for four more B-2 bombers, but the House voted to halt production after completion of the 15 planes that have already been approved. In light of the "diminished Soviet threat," the bill will cut U.S. Armed Forces by 106,400 active duty personnel by the end of the fiscal year.

Veto forces Congress to cut pro-abortion clause

Congress failed to override a presidential veto of a \$205 billion spending bill for the Education, Labor, and Health and Human Services departments. President Bush had vetoed the bill Nov. 19 because it would eliminate a ban on abortion counseling at 4,000 federally funded family planning clinics, the so-called "gag rule."

Before the vote, pro-abortion supporters called the Title X regulations "government by mind control" because it denied women their First Amendment rights and the right to hear the "truth." Rep. Henry Hyde (R-Ill.) retorted: "The last thing you and Planned Parenthood want is informed consent, you don't dare let women see a videotape of the fetus. . . . You don't even want parental notification." Planned Parenthood is the ma-

ior recipient of federal family planning funds.

Faced with another veto, 19 House Democrats held a press conference on Nov. 22 to present a giant seven-foot-long "veto pen," arguing that the President has no domestic agenda other than to veto measures the Congress passes.

Investment tax credit bill introduced

"The Investment Incentive and Recovery Act of 1991" was introduced in the House on Nov. 19 by Reps. Frank Guarini (D-N.J.) and Sander Levin (D-Mich.). The measure would provide an investment tax credit for certain productive investments.

"The credit is targeted in such a way," said Guarini, "as to encourage investment in manufacturing equipment, which will have the greatest impact on encouraging economic growth." He noted that Japan invested 29.2% of its GNP in that manner, compared to 17.2% in the United States. "Even though Japan's GNP is only about half the size of the United States," he said, "it is investing more in absolute terms in non-residential fixed investment—\$675 billion in 1990, compared to the U.S. figure of \$524 billion."

Levin remarked that the U.S. needed "a long-term strategy for restoring economic growth." Although paying obeisance to the Washington bugaboo of "bringing the federal budget deficit under control," Levin said that "we must target the scarce resources available to us on those economic activities that offer the biggest long-term economic payoff."

The tax credit envisioned by the proposal is targeted in two ways, Levin said. First, "only investment above an adjusted historical base would

qualify for the credit," so that it is designed "to provide an incentive for new investment, not a reward for investment that would take place anyway." Second, only "investment in property integral to the manufacture of tangible property would be eligible for the credit. . . . Our intention is to limit the credit to investment that directly aids the manufacturing process. For example, investment in mixed-use property, in fixtures for retail sales, or in agricultural production, would not qualify for the credit."

Similar legislation is expected to be introduced in the Senate by Sen. William Roth (R-Del.). The legislation was developed in collaboration with Prof. Lawrence Summers of Harvard and Dr. John Shoven of Stanford University.

Bush condemns affirmative action

President Bush signed the Civil Rights Act of 1991 on Nov. 21, legislation which he had previously denounced as a "quota bill." A furor was caused by the signing, because a presidential order attached to the signing statement called for an end to government affirmative action programs—programs which were reaffirmed in the very bill which the President signed.

According to White House officials, the statement was authored by White House Counsel C. Boyden Gray. The order was instantly condemned by civil rights activists and others as an assault on decades of civil rights progress.

One senior White House aide told the *Washington Post* that the "thrust" of the statement had been discussed by Gray at a staff meeting a week before, where all of Bush's top aides were told the President would issue orders im-

plementing his interpretation of the law, and that he might revise a number of programs and guidelines affecting employment standards.

Cranston reprimanded on savings and loan conduct

The Senate Ethics Committee voted on Nov. 19 to reprimand Sen. Alan Cranston (D-Calif.) for improper conduct in his dealings with Lincoln Savings and Loan executive Charles Keating, Jr. Since the committee was deadlocked along party lines over a censure of Cranston, the case was presented on the Senate floor—a rare step for a reprimand which is short of a formal censure.

The actions against Cranston had all the earmarks of political retribution. Cranston was one of five senators under investigation for dealings with Keating, but was the only one to be publicly reprimanded. Cranston had raised the ire of the administration during the confirmation hearings of Bush nominee Donald Gregg as ambassador to South Korea, when he demanded a thorough investigation of Gregg's involvement in the Iran-Contra affair. No investigation was launched and Cranston found himself under fire from the Bush administration.

On Nov. 20, Cranston admitted that he was wrong in failing to anticipate that raising funds from Keating could be looked upon as improper, but he insisted that his motives and actions were "well-intentioned and honest." He attacked the censure since "there were no written guidelines of the Senate" in the areas in which he was being reprimanded. Referring to Supreme Court Justice Hugo Black's comments about "a tyrant king who wrote his laws in a hand so fine and

placed them so high and so far from view that his subjects could not read them" as being "the essence of tyranny," Cranston said that "the essence of due process is to have laws written in advance so all can know them," a condition which he said was violated in this case. Cranston also noted that his actions "were not fundamentally different from the actions of many other Senators."

Cranston called for a reform of the Ethics Committee procedures. He said the public exposure of those senators sitting in judgment could influence their decisions—a situation avoided in jury trials because the positions of individual jurors in coming to a decision are not a matter of public record.

Senate kills 'October Surprise' investigation

The U.S. Senate will not conduct a special investigation into the "October Surprise" allegations that the 1980 Reagan-Bush campaign conspired to delay the release of American hostages from Iran, as a result of a successful filibuster Nov. 22 by Republicans to block the probe. Whatever investigation takes place will be conducted by the Senate Foreign Relations Committee from existing funds.

Coverage of the Senate vote in the *Washington Times* highlighted the fact that the vote followed the testimony by *October Surprise* author Gary Sick in which he "revealed that a major figure cited in October Surprise allegations was the target of a secret surveillance probe by the Carter administration in 1980." Sick's call for the Senate to subpoena the records of the surveillance of the late Iranian banker Cyrus Hashemi was described as a "bomblet" by one senator.